



General Assembly

Bill No. 30

February Session, 2004

LCO No. 472

00472_____

Referred to Committee on Finance, Revenue and Bonding

Introduced by:

SEN. DELUCA, 32nd Dist.

REP. WARD, 86th Dist.

**AN ACT CONCERNING AN AUTHORIZATION OF BONDS OF THE
STATE FOR HIGHER EDUCATION CAPITAL IMPROVEMENTS AND
OTHER PURPOSES.**

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. (*Effective from passage*) The State Bond Commission shall
2 have power, in accordance with the provisions of sections 1 to 7,
3 inclusive, of this act, from time to time to authorize the issuance of
4 bonds of the state in one or more series and in principal amounts in the
5 aggregate, not exceeding \$159,039,068.

6 Sec. 2. (*Effective from passage*) The proceeds of the sale of said bonds,
7 to the extent hereinafter stated, shall be used for the purpose of
8 acquiring, by purchase or condemnation, undertaking, constructing,
9 reconstructing, improving or equipping, or purchasing land or
10 buildings or improving sites for the projects hereinafter described,
11 including payment of architectural, engineering, demolition or related
12 costs in connection therewith, or of payment of the cost of long-range
13 capital programming and space utilization studies as hereinafter

14 stated:

15 (a) For the Department of Public Works: Removal or encapsulation
16 of asbestos in state-owned buildings, not exceeding \$2,500,000.

17 (b) For the Community-Technical College System:

18 (1) All Community-Technical Colleges:

19 (A) New and replacement instruction, research and/or laboratory
20 equipment, not exceeding \$9,000,000;

21 (B) Alterations, renovations and improvements to facilities
22 including fire, safety, energy conservation and code compliance, not
23 exceeding \$7,050,000;

24 (C) System Technology Initiative, not exceeding \$5,000,000;

25 (2) At Asnuntuck Community-Technical College: Acquisition of
26 and improvements to existing buildings, not exceeding \$2,400,000;

27 (3) At Capital Community-Technical College: Expansion of
28 downtown campus, not exceeding \$6,000,000;

29 (4) At Housatonic Community-Technical College: Campus
30 expansion, not exceeding \$5,665,740;

31 (5) At Manchester Community-Technical College: Campus
32 improvements, not exceeding \$3,170,000;

33 (6) At Naugatuck Valley Community-Technical College: Additional
34 parking, not exceeding \$2,000,000;

35 (7) At Norwalk Community-Technical College: Master plan
36 development, not exceeding \$6,573,792;

37 (8) At Quinebaug Valley Community-Technical College: Facility
38 development, including parking, not exceeding \$8,873,858;

39 (9) At Three Rivers Community-Technical College: Renovations to
40 existing buildings and additional facilities for a consolidated campus
41 in accordance with the campus master plan, not exceeding \$14,076,678.

42 (c) For the Connecticut State University System:

43 (1) At All Universities:

44 (A) New and replacement instruction, research, laboratory, and
45 physical plant and administrative equipment, not exceeding
46 \$10,000,000;

47 (B) Alterations, repairs and improvements-Auxiliary Services
48 buildings, not exceeding \$5,000,000;

49 (C) System telecom infrastructure upgrades, improvements, and
50 expansions, not exceeding \$2,410,000;

51 (D) Land and property acquisitions, not exceeding \$2,000,000;

52 (2) At Central Connecticut State University:

53 (A) New maintenance facility/salt storage shed, not exceeding
54 \$1,297,000;

55 (B) Alterations, renovations and improvements to facilities,
56 including fire, safety, energy conservation and code compliance
57 improvements, not exceeding \$3,277,000;

58 (C) New swing space classroom/office facility, not exceeding
59 \$20,203,000;

60 (D) Various ventilation and air conditioning system improvements,
61 not exceeding \$743,000;

62 (3) At Western Connecticut State University:

63 (A) Purchase of equipment for the new science facility, not
64 exceeding \$3,500,000;

65 (B) Alterations, renovations and improvements to facilities,
66 including fire, safety, energy conservation and code compliance
67 improvements, not exceeding \$1,595,000;

68 (C) New Fire and Performing Arts Building, not exceeding
69 \$5,792,000;

70 (4) At Southern Connecticut State University:

71 (A) Addition and renovations to Buley Library, not exceeding
72 \$23,350,000;

73 (B) Alterations, renovations and improvements to facilities,
74 including fire, safety, energy conservation and code compliance
75 improvements, not exceeding \$1,584,000;

76 (C) Earl Hall various upgrades, including mechanical and electrical
77 improvements, not exceeding \$4,273,000;

78 (D) Jennings Hall various mechanical and electrical improvements,
79 not exceeding \$798,000;

80 (5) At Eastern Connecticut State University:

81 (A) Alterations, renovations and improvements to facilities,
82 including fire, safety, energy conservation and code compliance
83 improvements, not exceeding \$650,000;

84 (B) Planning for a parking garage and roadway improvements, not
85 exceeding \$257,000.

86 Sec. 3. (NEW) (*Effective from passage*) All provisions of section 3-20 of
87 the general statutes or the exercise of any right or power granted
88 thereby which are not inconsistent with the provisions of this act are
89 hereby adopted and shall apply to all bonds authorized by the State
90 Bond Commission pursuant to sections 1 to 7, inclusive, of this act, and
91 temporary notes issued in anticipation of the money to be derived
92 from the sale of any such bonds so authorized may be issued in

93 accordance with said section 3-20 and from time to time renewed. Such
94 bonds shall mature at such time or times not exceeding twenty years
95 from their respective dates as may be provided in or pursuant to the
96 resolution or resolutions of the State Bond Commission authorizing
97 such bonds.

98 Sec. 4. (*Effective from passage*) None of said bonds shall be authorized
99 except upon a finding by the State Bond Commission that there has
100 been filed with it a request for such authorization, which is signed by
101 the Secretary of the Office of Policy and Management or by or on
102 behalf of such state officer, department or agency and stating such
103 terms and conditions as said commission, in its discretion, may
104 require.

105 Sec. 5. (*Effective from passage*) For the purposes of sections 1 to 7,
106 inclusive, of this act, "state moneys" means the proceeds of the sale of
107 bonds authorized pursuant to said sections 1 to 7, inclusive, or of
108 temporary notes issued in anticipation of the moneys to be derived
109 from the sale of such bonds. Each request filed as provided in section 4
110 of this act for an authorization of bonds shall identify the project for
111 which the proceeds of the sale of such bonds are to be used and
112 expended and, in addition to any terms and conditions required
113 pursuant to said section 4, shall include the recommendation of the
114 person signing such request as to the extent to which federal, private
115 or other moneys then available or thereafter to be made available for
116 costs in connection with any such project should be added to the state
117 moneys available or becoming available hereunder for such project. If
118 the request includes a recommendation that some amount of such
119 federal, private or other moneys should be added to such state
120 moneys, then, if and to the extent directed by the State Bond
121 Commission at the time of authorization of such bonds, said amount of
122 such federal, private or other moneys then available, or thereafter to be
123 made available for costs in connection with such project, may be added
124 to any state moneys available or becoming available hereunder for
125 such project and shall be used for such project. Any other federal,

126 private or other moneys then available or thereafter to be made
127 available for costs in connection with such project shall, upon receipt,
128 be used by the State Treasurer, in conformity with applicable federal
129 and state law, to meet the principal of outstanding bonds issued
130 pursuant to sections 1 to 7, inclusive, of this act, or to meet the
131 principal of temporary notes issued in anticipation of the money to be
132 derived from the sale of bonds theretofore authorized pursuant to said
133 sections 1 to 7, inclusive, for the purpose of financing such costs, either
134 by purchase or redemption and cancellation of such bonds or notes or
135 by payment thereof at maturity. Whenever any of the federal, private
136 or other moneys so received with respect to such project are used to
137 meet the principal of such temporary notes or whenever principal of
138 any such temporary notes is retired by application of revenue receipts
139 of the state, the amount of bonds theretofore authorized in anticipation
140 of which such temporary notes were issued, and the aggregate amount
141 of bonds which may be authorized pursuant to section 1 of this act,
142 shall each be reduced by the amount of the principal so met or retired.
143 Pending use of the federal, private or other moneys so received to meet
144 principal as hereinabove directed, the amount thereof may be invested
145 by the State Treasurer in bonds or obligations of, or guaranteed by, the
146 state or the United States or agencies or instrumentalities of the United
147 States, shall be deemed to be part of the debt retirement funds of the
148 state, and net earnings on such investments shall be used in the same
149 manner as the moneys so invested.

150 Sec. 6. (*Effective from passage*) Any balance of proceeds of the sale of
151 said bonds authorized for any project described in section 2 of this act
152 in excess of the cost of such project may be used to complete any other
153 project described in said section 2 if the State Bond Commission shall
154 so determine and direct. Any balance of proceeds of the sale of said
155 bonds in excess of the costs of all the projects described in said section
156 2 shall be deposited to the credit of the General Fund.

157 Sec. 7. (*Effective from passage*) Said bonds issued pursuant to sections
158 1 to 7, inclusive, of this act, shall be general obligation bonds of the

159 state and the full faith and credit of the state of Connecticut are
160 pledged for the payment of the principal of and interest on said bonds
161 as the same become due, and accordingly and as part of the contract of
162 the state with the holders of said bonds, appropriation of all amounts
163 necessary for punctual payment of such principal and interest is
164 hereby made, and the State Treasurer shall pay such principal and
165 interest as the same become due.

166 Sec. 8. Subsection (a) of section 3-21 of the general statutes is
167 repealed and the following is substituted in lieu thereof (*Effective from*
168 *passage*):

169 (a) No bonds, notes or other evidences of indebtedness for
170 borrowed money payable from General Fund tax receipts of the state
171 shall be authorized by the General Assembly or issued except such as
172 shall not cause the aggregate amount of the total amount of bonds,
173 notes or other evidences of indebtedness payable from General Fund
174 tax receipts authorized by the General Assembly but which have not
175 been issued and the total amount of such indebtedness which has been
176 issued and remains outstanding to exceed one and six-tenths times the
177 total General Fund tax receipts of the state for the fiscal year in which
178 any such authorization will become effective or in which such
179 indebtedness is issued, as estimated for such fiscal year by the joint
180 standing committee of the General Assembly having cognizance of
181 finance, revenue and bonding in accordance with section 2-35. In
182 computing such aggregate amount of indebtedness at any time, there
183 shall be excluded or deducted, as the case may be, (1) the principal
184 amount of all such obligations as may be certified by the Treasurer (A)
185 as issued in anticipation of revenues to be received by the state during
186 the period of twelve calendar months next following their issuance and
187 to be paid by application of such revenue, or (B) as having been
188 refunded or replaced by other indebtedness the proceeds and
189 projected earnings on which or other funds are held in escrow to pay
190 and are sufficient to pay the principal, interest and any redemption
191 premium until maturity or earlier planned redemption of such

192 indebtedness, or (C) as issued and outstanding in anticipation of
193 particular bonds then unissued but fully authorized to be issued in the
194 manner provided by law for such authorization, provided, so long as
195 any of said obligations are outstanding, the entire principal amount of
196 such particular bonds thus authorized shall be deemed to be
197 outstanding and be included in such aggregate amount of
198 indebtedness, or (D) as payable solely from revenues of particular
199 public improvements, (2) the amount which may be certified by the
200 Treasurer as the aggregate value of cash and securities in debt
201 retirement funds of the state to be used to meet principal of
202 outstanding obligations included in such aggregate amount of
203 indebtedness, (3) every such amount as may be certified by the
204 Secretary of the Office of Policy and Management as the estimated
205 payments on account of the costs of any public work or improvement
206 thereafter to be received by the state from the United States or agencies
207 thereof and to be used, in conformity with applicable federal law, to
208 meet principal of obligations included in such aggregate amount of
209 indebtedness, (4) all authorized and issued indebtedness to fund any
210 budget deficits of the state for any fiscal year ending on or before June
211 30, 1991, (5) all authorized indebtedness to fund the program created
212 pursuant to section 32-285, (6) all authorized and issued indebtedness
213 to fund any budget deficits of the state for any fiscal year ending on or
214 before June 30, 2002, [and] (7) all indebtedness authorized and issued
215 pursuant to section 1 of public act 03-1 of the September 8 special
216 session, and (8) any indebtedness represented by any agreement
217 entered into pursuant to subsection (b) or (c) of section 3-20a as
218 certified by the Treasurer, provided the indebtedness in connection
219 with which such agreements were entered into shall be included in
220 such aggregate amount of indebtedness. In computing the amount of
221 outstanding indebtedness, only the accreted value of any capital
222 appreciation obligation or any zero coupon obligation which has
223 accreted and been added to the stated initial value of such obligation
224 as of the date of any computation shall be included.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>
Sec. 5	<i>from passage</i>
Sec. 6	<i>from passage</i>
Sec. 7	<i>from passage</i>
Sec. 8	<i>from passage</i>

Statement of Purpose:

To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]